## **Introduced by Senator Ashburn**

February 27, 2009

An act to amend Section 285 of the Vehicle Code, relating to vehicles. An act to amend Section 185033 of the Public Utilities Code, relating to high-speed rail, and declaring the urgency thereof, to take effect immediately.

## LEGISLATIVE COUNSEL'S DIGEST

SB 783, as amended, Ashburn. Vehicles: dealer. High-speed rail. Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law requires the authority to prepare and to submit to the Legislature a revised business plan containing specified elements by September 1, 2008.

This bill would require the authority to prepare an expanded business plan addressing specified elements prior to seeking bond funding for the 2009–10 fiscal year pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, which was approved as Proposition 1A by the voters at the November 4, 2008, statewide general election. The bill would require the authority to submit a draft of the expanded business plan to the Legislature by September 1, 2009, and to adopt the plan at its January 2010 regularly scheduled meeting, following at least one public hearing.

This bill would declare that it is to take effect immediately as an urgency statute.

Existing law defines a dealer, among other things, as a person, not expressly excluded, who for commission, money, or other thing of

 $SB 783 \qquad \qquad -2-$ 

22

23

25

26

27

28

29

value, sells, exchanges, buys, or offers for sale, negotiates or attempts to negotiate, a sale or exchange of an interest in, a vehicle subject to registration, a motorcycle, snowmobile, or all-terrain vehicle subject to identification under the code, or a trailer.

This bill would make a technical, nonsubstantive change to that provision.

Vote: majority <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 185033 of the Public Utilities Code is 2 amended to read:

3 185033. (a) The authority shall prepare, publish, and submit 4 to the Legislature, not later than September 1, 2008, a revised business plan that identifies all of the following: the type of service 6 it anticipates it will develop, such as local, express, commuter, 7 regional, or interregional; a description of the primary benefits the 8 system will provide; a forecast of the anticipated patronage, operating costs, and capital costs for the system; an estimate and 10 description of the total anticipated federal, state, local, and other 11 funds the authority intends to access to fund the construction and 12 operation of the system; and the proposed chronology for the 13 construction of the eligible corridors of the statewide high-speed train system. The revised business plan shall also include a 14 15 discussion of all reasonably foreseeable risks the project may 16 encounter, including, but not limited to, risks associated with the 17 project's finances, patronage, construction, equipment, and technology, and other risks associated with the project's 18 19 development. The plan shall describe the authority's strategies, 20 processes, or other actions it intends to utilize to manage those 21 risks.

(b) (1) Prior to seeking an allocation of bond funding pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Chapter 20 (commencing with Section 2704) of Division 3 of the Streets and Highways Code) for the 2009–10 fiscal year, the authority shall prepare an expanded business plan that includes, but is not limited to, all of the following elements:

(A) Using the most recent patronage forecast for the system, develop a forecast of the expected patronage and service levels

-3- SB 783

1 for the Phase 1 corridor as identified in paragraph (2) of 2 subdivision (b) of Section 2704.04 of the Streets and Highways 3 Code and by each segment for which a project level environmental 4 analysis is being prepared for Phase 1. The forecast shall assume 5 a high, medium, and low level of patronage and a realistic 6 operating planning scenario for each level of service. Alternative 7 fare structures shall be considered when determining the level of 8 patronage.

- (B) Based on the patronage forecast in subparagraph (A), develop alternative financial pro formas for the different levels of service, and identify the operating break-even points for each alternative. Each pro forma shall assume the terms of subparagraph (J) of paragraph (2) of subdivision (c) of Section 2704.08 of the Streets and Highways Code.
- (C) Identify the expected schedule for completing environmental review, and initiating and completing construction for each segment of Phase 1.
- (D) Identify the source of federal, state, and local funds available for the project that will augment funds from the bond act and the level of confidence for obtaining each type of funding.
- (E) Identify written agreements with public or private entities to fund components of the high-speed rail system, including stations and terminals, any impediments to the completion of the system, such as the inability to gain access to existing railroad rights-of-way.
- (F) Identify alternative public-private development strategies for the implementation of Phase 1.
- (2) A draft of the expanded business plan shall be submitted to the Senate Committee on Transportation and Housing and the Assembly Committee on Transportation on or before September 1, 2009.
- (3) The authority shall hold at least one public hearing on the expanded business plan and shall adopt the expanded plan at its regularly scheduled meeting in January 2010. When adopting the plan, the authority shall take into consideration comments from the public hearing and written comments that it receives in that regard, and any hearings that the Legislature may hold prior to adoption of the expanded plan.
- 39 SEC. 2. This act is an urgency statute necessary for the 40 immediate preservation of the public peace, health, or safety within

SB 783 —4—

the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide for the expeditious development of an expanded business plan to govern the implementation of a high-speed rail system for the state, it is necessary that this act take effect immediately.

SECTION 1. Section 285 of the Vehicle Code is amended to read:

- 285. "Dealer" is a person not otherwise expressly excluded by Section 286 who:
- (a) For commission, money, or other thing of value, sells, exchanges, buys, or offers for sale, negotiates or attempts to negotiate, a sale or exchange of an interest in, a vehicle subject to registration, a motorcycle, snowmobile, or all-terrain vehicle subject to identification under this code, or a trailer subject to identification pursuant to Section 5014.1, or induces or attempts to induce a person to buy or exchange an interest in a vehicle and, who receives or expects to receive a commission, money, brokerage fees, profit, or any other thing of value, from either the seller or purchaser of the vehicle.
- (b) Is engaged wholly or in part in the business of selling vehicles or buying or taking in trade, vehicles for the purpose of resale, selling, or offering for sale, or consigned to be sold, or otherwise dealing in vehicles, whether or not the vehicles are owned by the person.